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ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

2 COMMISSIONERS

3 KRISTIN K. MAYES, Chairman
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2009 MAY -4 A 11: 01

AZ CORP COMMISSION
DOCKET CONTROL

6 IN THE MATTER OF THE APPLICATION OF
7 APPALOOSA WATER COMPANY FOR
8 FINANCING AUTHORIZATION.

DOCKET NO. W-03443A-08-0177

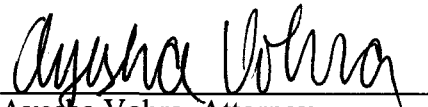
9 IN THE MATTER OF THE APPLICATION OF
10 APPALOOSA WATER COMPANY FOR A
11 RATE INCREASE.

DOCKET NO. W-03443A-08-0313

NOTICE OF FILING

11 The Utilities Division of the Arizona Corporation Commission ("Staff"), hereby submits a
12 revised Schedule CRM-4, Summary of Original Cost Rate Base Adjustment, as requested by
13 Administrative Law Judge Yvette B. Kinsey.

14 RESPECTFULLY SUBMITTED this 4th day of May, 2009.

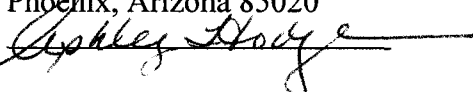
15 
16 Ayesha Vohra, Attorney
17 Legal Division
18 Arizona Corporation Commission
19 1200 West Washington Street
20 Phoenix, Arizona 85007
21 (602) 542-3402

20 Original and fifteen (15) copies
21 of the foregoing were filed this
22 4th day of May, 2009 with:


22 Docket Control
23 Arizona Corporation Commission
24 1200 West Washington Street
25 Phoenix, Arizona 85008

25 Copy of the foregoing mailed this
26 4th day of May, 2009 to:

26 Joe Cordovana, Owner
27 Appaloosa Water Company
28 7012 North 18th Street
Phoenix, Arizona 85020

Arizona Corporation Commission
DOCKETED

MAY -4 2009

DOCKETED BY	
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MEMORANDUM

TO: Docket Control

FROM: Ernest G. Johnson
Director
Utilities Division

EA for EGJ

DATE: May 07, 2009

RE: ADDENDUM TO STAFF REPORT FOR APPALOOSA WATER COMPANY'S APPLICATIONS FOR A FINANCING APPROVAL, DOCKET NO. W-03443A-08-0177 AND PERMANENT RATE INCREASE, DOCKET NO. W-03443A-08-0313

On March 26, 2008, and June 20, 2008, Appaloosa Water Company, filed applications with the Arizona Corporation Commission requesting a financing approval and permanent rate increase. On March 03, 2009, Staff filed its Staff Report pertaining to these consolidated filings.

Subsequent to Staff's filing of its Staff Report, and during the scheduled hearing on April 21, 2009, it was determined that Schedule CRM-4, Summary of Original Cost Rate Base Adjustments had an incorrect dollar amount on line 62 Column D, of \$1,409,246. The correct dollar amount is \$1,250,044. This error appears to have been just a typographical error. This typographical error does not affect the amount shown on line 82 column D. The amount on line 82 Column D, remains unchanged at a negative \$55, 099.

Schedule CRM -3 Rate Base-Original Cost, is not affected by the change to Schedule CRM-4.

Staff is submitting a revised Schedule CRM-4 (see attached), Summary of Original Cost Rate Base Adjustment, as requested by the Administrative Law Judge during the hearing.

There are no required changes to be made to Schedule CRM-3. Staff will not submit a new Schedule CRM-3, Rate Base-Original Cost. There are no changes required in the body of the Staff Report because of the change to Schedule CRM-4.

Staff recommends that this addendum and revised schedule CRM-4 be added and included in the Staff Report.

EGJ:CRM:kdh

Originator: Charles R. Myhlhousen

SUMMARY OF ORIGINAL COST RATE BASE ADJUSTMENTS

LINE NO.	ACCT. NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) STAFF ADJUSTED	(C) Adj No.	(D) STAFF RECOMMENDED
PLANT IN SERVICE:						
1		Intangible Plant				
2	301.00	Organization	\$ 264	\$ -		\$ 264
3	302.00	Franchises	2,309	-		\$ 2,309
4	303.00	Land & Land Rights	3,161	-		\$ 3,161
5		Subtotal Intangible	<u>5,734</u>	-		<u>5,734</u>
6						
7		Source of Supply				
8	304.00	Structures & Improvements	67,051	-		\$ 67,051
9	305.00	Collecting and Impounding Res.	-	-		-
10	306.00	Lake River and Other Intakes	-	-		-
11	307.00	Wells and Springs	238,519	-		\$ 238,519
12	308.00	Infiltration Galleries and Tunnels	-	-		-
13	309.00	Supply Mains	-	-		-
14	310.00	Power Generating Equipment	-	-		-
15	311.00	Electric Pumping Equipment	94,131	-		\$ 94,131
16	312.00	Collecting & Impounding Reservoirs	-	-		-
17	313.00	Lakes, Rivers, Other Intakes	-	-		-
18		Subtotal Source of Supply	<u>399,701</u>	-		<u>399,701</u>
19						
20		Water Treatment				
21	320.00	Water Treatment Equipment	-	-		-
22	321.00	Structures & Improvements	-	-		-
23	323.00	Other Power Production	-	-		-
24	325.00	Electric Pumping Equipment	-	-		-
25	326.00	Diesel Pumping Equipment	-	-		-
26	328.10	Gas Engine Pumping Equipment	-	-		-
27		Subtotal Water Treatment	<u>-</u>	-		<u>-</u>
28						
29		Transmission & Distribution				
30	330.00	Distribution Reservoirs & Standpipe	100,438	-		\$ 100,438
31	331.00	Transmission and Distribution Mains	745,102	-		\$ 745,102
32	332.00	Services	-	-		\$ -
33	334.00	Meters	15,055	-		\$ 15,055
34	335.00	Hydrants	48,876	-		\$ 48,876
35	336.00	Backflow Prevention Devices	-	-		-
36	339.00	Other Plant and Miscellaneous Equipment	-	-		-
37		Subtotal Transmission & Distribution	<u>909,471</u>	-		<u>909,471</u>
38						
39		General Plant				
40	340.00	Office Furniture and Equipment	1,850	-		\$ 1,850
41	340.10	Computer and Software	-	-		-
42	341.00	Transportation Equipment	-	-		-
43	342.00	Stores Equipment	-	-		-
44	343.00	Tools and Work Equipment	-	-		-
45	344.00	Laboratory Equipment	-	-		-
46	345.00	Power Operated Equipment	-	-		-
47	346.00	Communications Equipment	-	-		-
48	347.00	Miscellaneous Equipment	-	-		-
49	349.00	Other Tangible Plant	12,889	-		\$ 12,889
50		Plant Held for Future Use	-	-		-
51		Subtotal General Plant	<u>14,739</u>	-		<u>14,739</u>
52						
53		Total	<u>1,329,645</u>	-		<u>\$ 1,329,645</u>
54	Add:					
55						
56						
57	Less:					
58						
59						
60	Total Plant in Service		<u>\$ 1,329,645</u>	<u>\$ -</u>		<u>\$ 1,329,645</u>
61	Less: Accumulated Depreciation		<u>79,601</u>	<u>-</u>		<u>79,601</u>
62	Net Plant in Service (L59 - L 60)		<u>\$ 1,250,044</u>	<u>-</u>		<u>\$ 1,250,044</u>
63						
64	LESS:					
65	Contributions in Aid of Construction (CIAC)			\$ 759,327	1	\$ 759,327
66	Less: Accumulated Amortization			<u>24,502</u>	2	<u>\$ 24,502</u>
67	Net CIAC (L25 - L26)			<u>734,825</u>		<u>\$ 734,825</u>
68	Imputed Regulatory Contributions			-		-
69	Advances in Aid of Construction (AIAC)	570,318				\$ 570,318
70	Imputed Regulatory Advances			-		-
71	Customer Meter Deposits			-		-
72	Investment Tax Credits			-		-
73	Deferred Income Tax Credits (Debits)			-		-
74						
75	ADD:					
76	Cash Working Capital Allowance			-		-
77	Prepayments			-		-
78	Supplies Inventory			-		-
79	Projected Capital Expenditures			-		-
80	Deferred Debits			-		-
81	Intentionally left blank			-		-
82	Original Cost Rate Base		<u>\$ 679,726</u>	<u>\$ 734,825</u>		<u>\$ (55,099)</u>

ADJ # References:
1 Schedule CRM-5
2 Schedule CRM-13
Column [A] + Col [B] = Col [D]